

EXHIBIT 53

Nachricht

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Ziemen, Thomas

Von: Oswald, Gerhard
Gesendet: Mittwoch, 5. Januar 2005 17:19
An: Ziemen, Thomas
Betreff: WG: Confidential
Vertraulichkeit: Vertraulich
Kategorien: A

-----Ursprüngliche Nachricht-----

Von: Brandt, Werner
Gesendet: Mittwoch, 5. Januar 2005 13:00
An: Shenkman, Arlen
Cc: Kagermann, Henning; Mackey, James; Word, Jeffrey; Geers, Torsten; Zepecki, John; Oswald, Gerhard; Agassi, Shai
Betreff: AW: Confidential
Vertraulichkeit: Vertraulich

Arlen,

Thanks for the update.

Some comments:

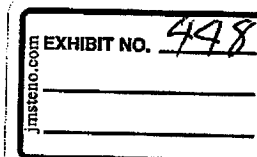
1. TomorrowNow's thoughts on our rational for an acquisition are fairly presented.
2. The requested purchase price of US\$ 15 million is not the issue - the real issue are the risks we acquire also in the light of SOX. I assume that we do not have the time for an extensive due diligence - therefore the reps and warranties must be very precise. Please include the proposed procures and as well as reps and warranties into the Business Case.
3. TomorrowNow's position towards an earn-out strikes me - not only because Nam argues that SAP wants to change the business strategy or direction and maybe even grow it much faster at the expense of profitability (i.e. return on the investment) - it strikes me as I see the danger that the owners want to cash out and leave with the risk that they build a similar business. How important are these guys for us going forward?

So far my comments. I look forward to see the Business Case.

Best regards,
Werner

-----Ursprüngliche Nachricht-----

Von: Shenkman, Arlen
Gesendet: Dienstag, 4. Januar 2005 23:43
An: Brandt, Werner; Oswald, Gerhard; Agassi, Shai
Cc: Mackey, James; Word, Jeffrey; Geers, Torsten; Zepecki, John
Betreff: FW: Confidential
Vertraulichkeit: Vertraulich



05.01.2005

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Hallo Werner, Shai and Gerd,

As an update to the status of our continuing discussions with TomorrowNow concerning a potential acquisition, we have attached below TomorrowNow's response to our most recent purchase price discussions. Following TomorrowNow's initial request for a purchase price of \$24 million, 3 times expected 2005 revenues, we indicated that it would be difficult for SAP to get comfortable with a purchase price in excess of 1 times 2005 revenues, or \$8 million. After that discussion, (as noted in the email below), TomorrowNow has adjusted it's requested purchase price to approximately \$15 million.

We have not received much of the forward looking financial information that we have requested from the Company which is required to finalize our business case. We expect to receive that information tomorrow and therefore anticipate circulating a business case late tomorrow or Thursday.

Please let us know if you have any questions or comments regarding this matter.

Best regards,
Arlen

From: Nam Bui [mailto:nam_bui@tomorrownow.com]
Sent: Tuesday, January 04, 2005 4:52 PM
To: Mackey, James; Shenkman, Arlen
Cc: Andrew Nelson; Seth Ravin
Subject:

Jim/Arlen -

Thank you for your initial \$8 million proposal (\$4M upfront and \$4M earn-out) that you communicated to me this morning. I have had an opportunity to review the initial proposal with Seth and Andrew, and compare your proposal against other active financing and M&A opportunities we are currently considering as our next steps in moving the business to the next level.

Before getting into our thoughts in response to your initial proposal, I want to first - on behalf of Andrew, Seth, and myself - thank you both and Torsten for the hospitality and warm welcome last week. It was a pleasure meeting everyone, and we appreciate everyone taking time away from their hard-to-come-by vacation time to meet and explore an opportunity to do something great together. We would also like to wish each of you all the best in the coming year.

Our thoughts:

With respect to our interest in reaching a deal, we wanted to let you know that we left our meeting feeling positive that we could help SAP take advantage of the new enterprise software market dynamics by increasing and accelerating defection rates from Oracle/PeopleSoft to SAP. SAP would have the ability to offer Oracle/PeopleSoft customers the ability to get off Oracle/PeopleSoft maintenance with TomorrowNow Support Services, and then be very well positioned with an existing, lower-risk SAP relationship to begin positioning a special SAP migration program that might be attractive to a number of TomorrowNow clients. As an added benefit, TomorrowNow is confident in our ability to help on the PeopleSoft side of any migration program given our extensive track record on complex upgrades.

We believe this combination of TomorrowNow Support Service offering for PeopleSoft Enterprise, EnterpriseOne (JDE), and World (JDE) clients could act as a significant deal funnel for SAP's worldwide license salesforce, worth tens of millions of dollars to SAP. We also believe that, should TomorrowNow and SAP reach agreement on a deal quickly, SAP would be in the position to announce its program and leverage TomorrowNow as a fully-proven model with blue-chip clients right in synch with Oracle's planned, very public official launch of the combined Oracle - PeopleSoft organization, strategy, and product plans on January 18, 2004. The SAP and TomorrowNow play would be an immediate and serious challenge to Oracle, not a proposed challenge to be fulfilled and proven out some years down the road.

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Given the strategic value we believe TomorrowNow's experience, clients, team, and proven methodologies and processes bring to SAP and other potential M&A partners, we did not find your initial offer to meet our financial objectives for a transaction. With what we perceive to be a low valuation, we are also expected to defer 50% of the value into a earn-out structure, which we can all agree, is somewhat risky and hard to define in metrics that will assure payout - especially given that you have indicated you may want to change the business strategy or direction, and maybe even grow it much faster at the expense of profitability.

We talked about a number that would definitely meet our needs as the basis for a complete sale - 3x 2005 projected total revenues of \$8M, or \$24M total (minus some required capitalization for CAPEX) - so the neighborhood of \$22M or so. While the \$8M is a low valuation given what we see as a very large opportunity for TomorrowNow independently or even larger opportunity with TomorrowNow and SAP together, in the interest of fast-tracking a deal in the next few days that would allow us both to quickly capitalize on Oracle's transition challenge, we would be willing to consider somewhere closer to middle-ground on our valuation objectives - around \$15M.

We recognize that you have a short window for a go/no go deal, and we are similarly positioned given other financing and M&A activities that are ongoing.

Nam D. Bui
Chief Financial Officer
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